

GREATER JAKARTA PROPERTY MARKET OVERVIEW

THIRD QUARTER 2007



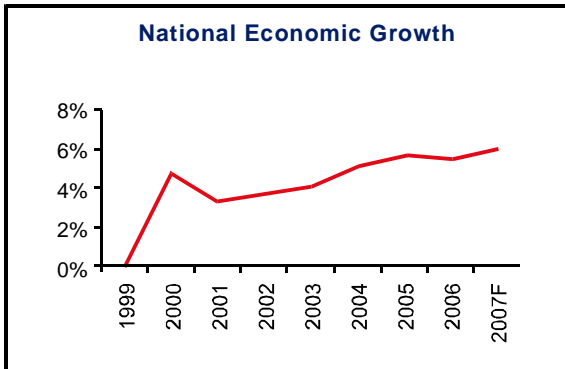
 **COLDWELL
BANKER
COMMERCIAL**

INDONESIA

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Economic growth as of 2nd Q'07, 2.4%

Y on Y changes **↑** 6.3%



ECONOMIC GROWTH

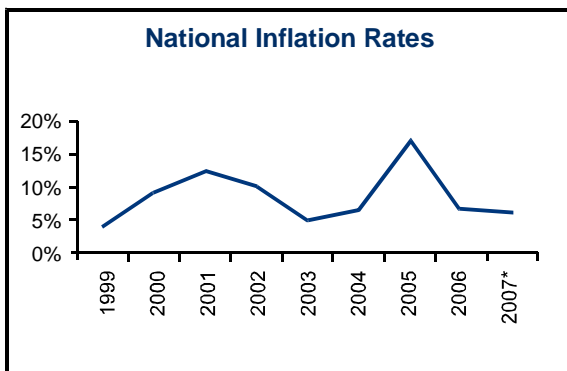
The national economy posted a growth of 6.3% (y-o-y) as of the second quarter 2007, mainly propped by strong exports and sustained consumption.

Strong consumption triggered by the increased purchasing power, while export growth was due by the increase of demand and price competition. Investments also will growth further as a response of sustained consumption and strong export.

The Government is targeting an economic growth of 6.3% in 2007, and 6.8% in 2008.

Inflation as of Aug'07, 0.75%

Y on Y changes **↑** 6.51%

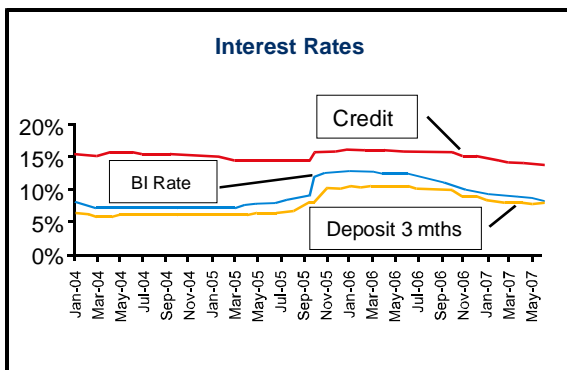


INFLATION RATE

Inflation continued to show a downward trend. As announced by BPS, inflation level for the month of August was 0.75%. Year-on-year, August 2006 to August 2007, inflation rate was 6.51%.

BI Rates as of September'07 8.25%

Q on Q changes **↓** 25 bps



INTEREST RATES

On July 5, 2007 the Central Bank reduced its benchmark interest rate. Interest rate on a 1-month SBI was slashed 25 bps to 8.25%.

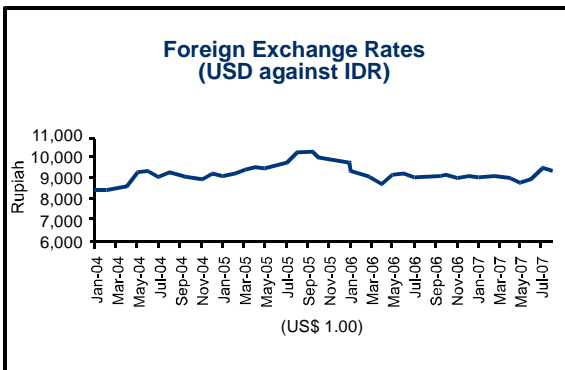
The decision to lower the BI rate was based on an evaluation of achievement of the future inflation target and by the identification of various risks.

Exchange Rate as of Sept 15'07 9,388 per USD
 Q on Q changes ↓ 332 bps

EXCHANGE RATE

During 2nd Quarter 2007, the Rupiah appreciated in value, continuing the upward trend since the previous quarter. The average value of the Rupiah during the quarter was to US\$ 1.00.

As of September 24, 2007, the Rupiah was trading at Rp. 9,137 to US\$ 1.00.

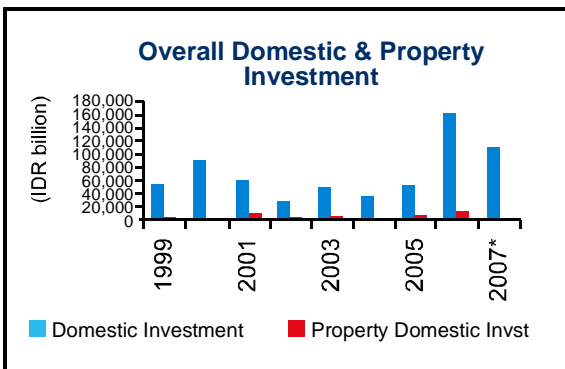


INVESTMENT & PROPERTY INVESTMENT

Domestic Investment

Actual realization of domestic investment from January 1 to May 31, 2007 was recorded to be valued at IDR 18,62 trillion, about 15.4% less than the previous year. While domestic investment application approvals in the same period increased by 194.7% to IDR 110,6 trillion.

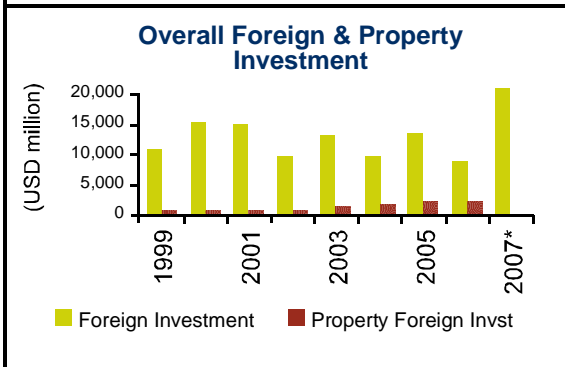
Some 69 projects out of the approved 116 applications were expansion projects and 47 projects, are new ventures. Noteworthy among the investment approvals include 6 projects in the paper and printing industries, 14 projects in the chemical and pharmaceutical industries, 15 projects food crops and plantation, and 8 projects in the industries electric, gas, and water.




Foreign Investment

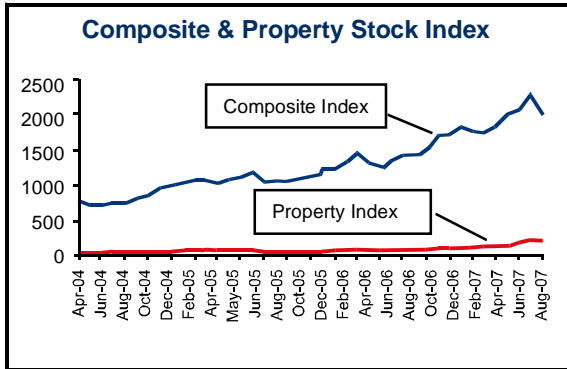
Actual foreign investment implementation from January 1 to May 31, 2007 was recorded to be valued at US\$ 3,7 billion, about 77.8% higher than the previous year.

During the same period, some 820 foreign investment applications with aggregate value of USD 21.94 billion were approved, an increase of 596.2% over the same period in 2006. These consisted of 646 new projects and 174 expansion projects.



Noteworthy among the approvals include 17 projects of chemical and pharmaceutical, 8 projects of paper and printing, and 27 projects in transportation, warehousing and communication, 32 projects of food industry, and 3 projects of electricity, gas and water.

Property Stock Index as of Sept. 15'07 227.47
 Q on Q changes  24.38 bps



COMPOSITE & PROPERTY STOCK INDEX

As of August 15, 2007, the composite index closed at 2,029, down by 139 bps. This is the biggest downswing in the latest year, due to the fall in US subprime mortgage markets that Asian and Europe stock markets were also affected.

The global stock market especially that of the local stock market rebounded by the news of the reduction of benchmark interest rate by the Fed, Central Bank of America.

OFFICE SECTOR

LEASABLE SUB SECTOR

SUPPLY

New Supply as of 3rd Q'07 52,000 sqm
 Q on Q changes  32.33%



Total stock of leasable office space in the CBD area remained at 3,266,538 square meters as no new supply which entered the market during the third quarter. In secondary areas, some 52,000 square meters of leasable office space entered the market with the completion of Menara Asia in Jl. Letjend. S. Parman, Honey Lady Building, and Perwata Tower in CBD Pluit. Supply during the quarter was 32.33% less than the previous quarter.

Total stock of leasable office accommodation inched to 5.46 million square meters, with 3,266,538 square meters in the CBD area and 2,189,470 square meters in secondary location.

Listed below are a number of leasable office projects are currently underway and scheduled for completion within the next two years. construction projects on hold are Kuningan Circle City and Oleos Tower. One project, Graha Energy, change its status from strata title to leasable office space. Some of 714,599 square meters are in CBD area and 231,935 square meters in non CBD location.

Table 1. Prospective Supply of Leasable Office Accommodations

Name of Building	Location	Building area (sqm)	Scheduled Compl.
Primary Area			
Menara Prima	Mega Kuningan	55,550	2007
Pacific Place	SCBD	38,553	2007
Sentral Senayan 2	Asia Afrika	45,600	2007
Menara Palma	Jl.Rasuna Said	20,000	2007
Four Point Tower	Jl.Rasuna Said	160,000	2007
Murinda Office	Jl.Rasuna Said	37,000	2008
Menara BCA	Jl. Thamrin	72,000	2008
Pearl Garden Office	Jl. Gatot Subroto	30,000	2008
Graha Energy	SCBD	65,486	2009
The Plaza Tower	Jl. MH. Thamrin	94,600	n.a
Jakarta Financial Ctr.	SCBD	74,000	n.a
Kuningan Circle City	on hold		
The Chase Tower	Jl. Sudirman	77,000	n.a

Name of Building	Location	Building area (sqm)	Scheduled Compl.
Secondary Area			
Aryanti Megah	Jl. Adityawarman	6,000	2007
Menara 165	TB. Simatupang	27,715	2007
Talavera Office Park	TB. Simatupang	48,770	2007
Rifan Financindo	Jl. Adityawarman	10,000	2007
Asuransi Sinar Mas	Tanah Abang	12,000	2008
The Jakarta Post's Bld	Palmerah	7,000	2008
Kota Casablanca	Jl. Casablanca	21,450	2008
Oleos Tower	on hold		
Octagone Tower	Kemayoran	35,000	2008
Simatupang Ofc Park	TB. Simatupang	51,000	n.a

Take up as of 3rd Q'07 86,692 sqm

Q on Q changes 73.9%



Occupancy level in CBD as of 3rdQ'07 84.14%

Q on Q changes 154 bps

TAKE-UP AND OCCUPANCY LEVEL

The positive signs of Indonesia's economic fundamentals were reflected in the office market. Some 86,692 square meters of office space were leased during the third quarter, about 73.9% higher than previous quarter.

A total of 50,416 square meters were leased by office blocks within the Central Business District, and some 36,276 square meters by office buildings within secondary locations.

In the CBD area, leasing transactions were noted in the existing office buildings while no new office buildings entered the market. While in secondary locations new leases were registered in Wisma Asia, Perwata Tower and Honey Lady Tower.

Average occupancy level of offices within the CBD areas improved by 84.14%, while those in secondary locations posted an average of 75.24%.

RENTS AND CAPITAL VALUE

Rental during the quarter, on average, improved by around 2.8% in US Dollars and 4.94% in Rupiahs.

Although rental improved on average, some office buildings have made rental adjustments due to the strengthening of competition. Offices in prime areas were rented at USD 4.30 to USD 16.50 per square meter per month or IDR 40,000 to IDR 153,450 per square meter per month. Those in secondary locations achieved IDR 25.000 to IDR 116.250 per square meter per month or USD 2.69 to USD 12.50 per square meter per month.

Capital value of office blocks in the Central Business District averaged USD 964.00 per square meter or IDR 8.98 million per square meter.

New strata-titled office supply as of 3rd Q'07

0 sqm

Q on Q changes 0.00%



STRATA-TITLED SUB SECTOR

SUPPLY

During the third quarter, there was no new supply of strata-titled office space which entered the market in the CBD areas, and also in secondary locations.

Total stock of strata-titled office space remained at 463,660 square meters, consisting of 349,704 square meters within the prime business area, and 113,956 square meters in secondary locations.

Table 2. Future Supply of Strata-Titled Office Accommodations

Name of Building	Location	Building area (sqm)	Scheduled Compl.
Primary			
The East	Mega Kuningan	44,000	2007
Sahid Tower	Jl. Sudirman	90,000	2007
Epicentrum Walk	Jl. Rasuna Said	13,035	2008
IFC Sudirman 1	Jl. Prof. Satrio	30,000	n.a.
Bakrie Tower	Jl. Rasuna Said	65,000	2008
City Tower	Jl. Thamrin	50,000	2008
Cyber Two	on hold	75,000	2009
SCBD Office Park	SCBD	21,000	n.a.
Secondary Area			
Menteng Office Park	Menteng	8,800	2007
Pluit Junction	Pluit	4,800	2007
The Boulevard	Jl. Fachrudin	7,164	2008
Grand Kartini Boutique Off	Jl. Kartini	8,118	2008
Menara MTH	MT. Haryono	13,680	2008
Gandaria 8	Jl. Gandaria	58,000	2009

Take up strata title as of 3rd Q'07 30,539 sqm
 Q on Q changes \uparrow 196%

MARKET ABSORPTION & OCCUPANCY LEVEL

A total of 30,539 square meters of strata-titled office space were sold during the quarter, about 196% improvement over the past quarter. Sale transactions were noted in both existing strata-office buildings and in those still under construction.

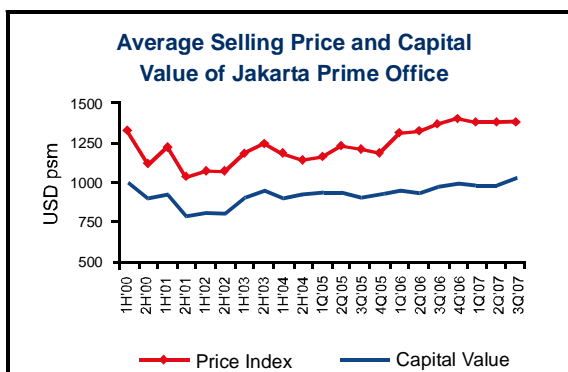
Total strata-titled office space sold as of the second quarter stood at 437,006 square meters. Overall average absorption level was recorded at 76.85%. CBD office blocks registered a take up at 88.35%, less 165 bps from the last quarter. Those in secondary locations hit 42%, a 360 bps lower than the last quarter due to the massive future supply in this area.

Average occupancy level of strata-titled office within the Central Business District reached 84.8%, and 61.92% in non-CBD areas.

Selling Price as of 3rd Q'07 IDR 12.83 million psm
 Q on Q changes \leftrightarrow 0.00%

SELLING PRICE

Average selling price of strata-titled office space remained firm. Offices within the CBD command a price range of IDR 11 million to IDR 21 million per square meter or USD 1,200 to USD 2,300 per square meter, while those located in secondary location fetched IDR 6.2 million to IDR 13.70 million per square meter, or USD 688 to USD 1,500 per square meter.



FORECAST

More and more office space will enter the market in the next two years for both lease and strata titled office buildings. Construction of strata titled office block shifts to secondary location by developer's new trend in buildings mix-used developments, where office, residential, and retail unite on one site.

New supply of leasable retail centre as of 3rd Q'07

48,750 sqm

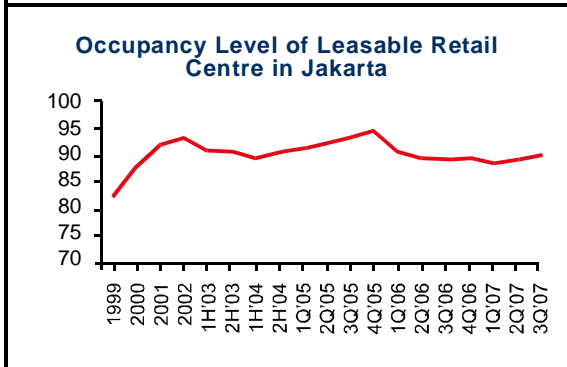
Q on Q changes ↓ 60%



Take up of leasable retail centre as of 3rd

Q'07 71,692 sqm

Q on Q changes ↓ 47.81%



LEASABLE SUB SECTOR

SUPPLY

The third quarter of 2007 saw the delivery of 48,750 square meters of new leasable retail space with the completion of Summarecon Mall Serpong in Serpong, 5,250 square meters of extension retail space Supermal Karawaci. Therefore, the aggregated new supply of leasable retail space during the quarter was 54,000 square meters relates to an 60% decline from the past quarter. Total stock of leasable retail space moved to 2.83 million square meters.

Induced by sustained consumer spending, more leasable retail projects are underway at various stages of development with total retail space of some 1.21 million square meters, scheduled to enter the market during the next three years, as set out in Table 3.

Table 3. Leasable Retail Projects Underway

Name of Center	Location	Building area (sqm)	Scheduled Completion
Citiloft Retail	Mas Mansyur	20,000	2007
Satrio Tower Mall	Jl. Satrio	6,000	2007
Pacific Place	SCBD	30,000	2007
Mall of Indonesia	Kelapa Gading	250,000	2007
Mal Kelapa Gdng 3 Ext	Kelapa Gading	20,000	2007
Summarecon Mall	Serpong	40,000	2007
Pluit Junction	Pluit	25,500	2007
Bekasi Cyber Park	Bekasi	15,000	2007
Plaza Indonesia Ext	Jl. MH. Thamrin	25,000	2008
Rasuna Epicentrum	Kuningan	58,500	2008
Sunter Point	Sunter	90,000	2008
Pluit Emporium	Pluit	133,000	2008
Bekasi Square	Bekasi	57,000	2008
Pulomas Place	Pulomas	18,000	2008
Carrefour Buaran	Buaran	10,000	2008
Gardenia Boulevard	Warung Jati	5,335	2008
Gandaria Main St.	Gandaria	75,000	2009
Kota Casablanca	Casablanca	70,000	2009
Blue Mall Phase 2	Bekasi Timur	85,000	2009
Galeria Glodok	Hayam Wuruk	19,800	2009
Pejatan Mall	Pejaten	86,000	2009
Kemang Village	Kemang	77,000	2009
Indonesian Fashion Center	Jl. MT Haryono	30,000	2009

TAKE-UP AND OCCUPANCY LEVEL

Retail leasing remained bullish with 71,692 square meters taken up during the third quarter. Total leased space as of third quarter of 2007 reached 2,547,093 square meters.

Major leases were recorded at the newly completed Summarecon Mal Serpong by high profile tenants including Paper Clip, Farmers Market, Gramedia Book Store and Gold's Gym.

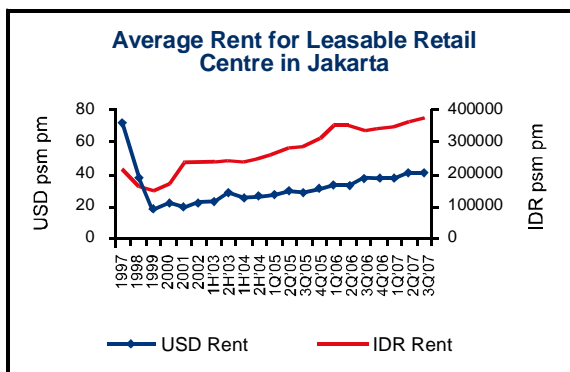
Overall average occupancy level improved by 83 bps to 89.92%, while retail centers in prime locations posted an average increment of 137 bps to 91.38%, and those in secondary locations declined 657 bps to an average occupancy level of 79.44%.

Occupancy Rate as of 3rd Q'07 89.92%

Q on Q changes \uparrow 83 bps

Rent prices as of 3rd Q'07 IDR 373,698 psm/pm

Q on Q changes \downarrow 6.45%



Supply of strata-titled retail centre

as of 3rd Q'07 24,500 sqm

Q on Q changes \uparrow 366%



RENTS

Rentals during the quarter on average slid by 6.45% from the past quarter due to keen competition. Some retail operators constructed their own buildings, and later rent out some portions at rental levels lower than the going market rate, thus exacerbating competition.

Up-market retail centers are rented at IDR 300,000 to IDR 1,100,000 per square meter monthly for ground floor space, and IDR 200,000 to IDR 850,000 per square meter a month for upper floors.

Retail centers in non-prime areas fetched a rental rate of IDR 200,000 to IDR 900,000 per square meter monthly for ground floor space, and IDR 100,000 to IDR 400,000 per square meter a month for upper floors.

STRATA-TITLED SUB SECTOR

SUPPLY

The third quarter of 2007 registered a low level of strata-titled retail space of 24,500 square meters at Pusat Grosir Jatinegara in Matraman street, Jatinegara, East Jakarta. A larger supply is expected to come during the later part of the year. Total stock of strata-titled retail accommodation's stood at 2.01 million square meters at third quarter 2007.

A number of strata-titled retail projects are on-going with an aggregated potential supply of some 1.62 million square meters, scheduled for completion within the next three years, as shown in Table 4.

Table 4. Strata-Titled Retail Centers Under Construction

Name of Building	Location	Building area (sqm)	Scheduled Completion
Kelapa Gading Square	Kelapa Gading	23,000	2007
ITC Cipulir Mas Ext	Cipulir	6,800	2007
China Trade Ctr.	Asemka	40,000	2007
Kemang Village	Kemang	10,969	2007
Seasons City	Latumeten	208,300	2007
Cibubur Central City	Cibubur	150,000	2007
Citra Raya Trade Center	Citra Raya	120,000	2007
Metro Kenari Cikarang	Cikarang	220,000	2007
Pamulang Square	Pamulang	54,000	2007
Cibubur Modern Market	Cibubur	15,000	2007
CBD Ciledug	Ciledug	16,000	2007
Blok M Square	Blok M	80,246	2008
Kota Modern Junction	Tangerang	100,000	2008
Koja Trade Centre	Koja	22,300	2008
Atrium Pondok Gede	Pondok Gede	39,000	2008
Kota Wisata Fresh Market	Cibubur	31,240	2008
Soewarna Junction	Soekarno Hatta	5,000	2008
Plaza Mobil Kemayoran	Kemayoran	200,000	2008
City Mall	Tangerang	15,000	2008
Pasar Senen Stage 2	Pasar Senen	250,000	2009

Take up of strata-titled retail centre as of 3rd Q'07 14,210sqm
 Q on Q changes \uparrow 63.56%



Prices as of 3rd Q'07 IDR 10-250 million psm
 Q on Q changes \leftrightarrow 0.00%

MARKET ABSORPTION & OCCUPANCY LEVEL

Sales of strata-titled retail space during the third quarter increase by about 63.56% from the past quarter, some 14,210 square meters were sold. Total strata-titled retail accommodation sold as of third quarter of 2007 hit 1,391,843 square meters.

Sales transactions were concentrated in recently operational trade centers and those that were just completed. Space buyers were mostly engaged in basic goods merchandising and fashion.

Average absorption rate on existing trade centers improved by 232 bps to about 82.31%, while projects that are still underway registered an average take-up of 46.19%, up by 19 bps from the previous quarter. Absorption level was enhanced by low supply during the quarter. On the whole, trade centers recorded an average occupancy rate of 69.00%.

SELLING PRICE

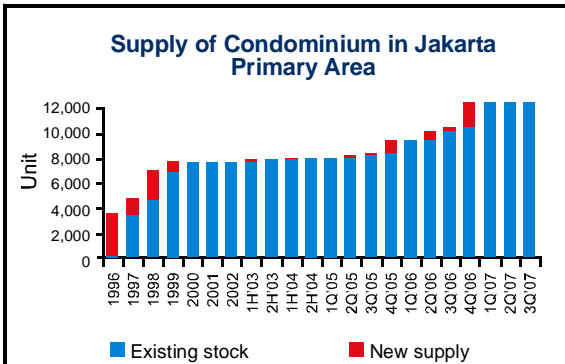
Prices of strata-titled retail space remained stable. Going price on existing trade centers ranged from IDR 10 million to IDR 250 million per square meter. Projects that are still under construction were sold at pre-completion stage at IDR 10 million to IDR 150 million per square meter, about 9.12% lower than the previous quarter, dragged down by lower price offerings of newly launched projects.

FORECAST

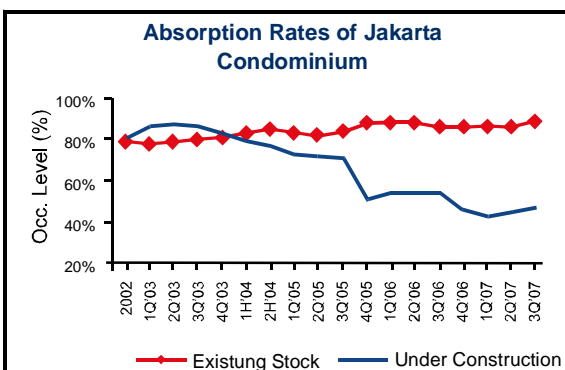
Retail centre developments shall continue to be spurred by hypermarkets expansion particularly in areas that proximate to densely populated residential estates during the short term.

The retail sector is expected to remain bouyant on the back of an improving per capita income index.

New supply as of 3rd'07 4,174 units
Q on Q changes 146.30%



Overall absorption rates as of 3rd Q'07 68.98%
Q on Q changes 340 bps



CONDOMINIUM SUB SECTOR

SUPPLY

New supply of condominium units during the quarter reach 4,174 units with the completion of The 18th Residence South Tower within CBD, while in secondary locations Jakarta Residence (Cosmo Residence and Cosmo Mansion), CBD Pluit Apartment, The City Resort, Teluk Intan Apartment (Topas Tower), French Walk, and Serpong Town Square Apartment.

Total stock of condominium units reached 52,304 units, 8.7% higher than the last quarter, which comprised of 14,018 units in prime locations and 38,286 units in secondary areas. The new supply consists 970 units Class B and 3,230 units Class C.

As developers tend to build mix-used developments which accommodates many activities on one site, the next 2 years shows more condominium projects will enter the market.

Condominium projects that are currently underway are detailed in table 5.

Table 5. Condominium Projects Under Construction

Name	Location	Number of Units	Class	Scheduled Compl.
Oakwood Premier Cozmo	Mega Kuningan	250	A	3Q07
The 18th Residence (North Tower)	Rasuna Said	375	B	1Q08
Pacific Place	SCBD	80	A	4Q07
Teluk Intan 1 (Twr B) & Teluk Intan 2	Teluk Gong	2,200	C	3Q08
Kempinski	Jl. MH Thamrin	200	A	4Q07
Pinnacle	Jl. Sudirman	242	B	4Q07
Shangrila Condominium	Jl. RE Margono	110	A	1Q08
Cityloft	Mas Mansyur	442	B	1Q08
Patria Park	DI Panjaitan	422	C	1Q08
Hampton's Park 1&2	Jl. Tarogong	785	B	2008
Seasons City	Jl. Latumeten	1,000	C	2008
The Thamrin Residence	Kebon Kacang	1,500	B	2008
The Groove	Rasuna Said	500	C	2008
Garden City Residence	Tanjung Duren	900	C	2008
The Icon Apartment	Setiabudi	300	B	2008
Sahid Sudirman	Jl. Jend Sudirman	700	B	2008
Grand Residence				
Regatta Apartment	Pantai Mutiara	368	B	2008
Star City Apartment	Jl. Gajah Mada	864	C	2008
Nifarro	Jl. Kalibata	558	C	2008
Urbana Apartment	Karawaci	1,060	C	2008
The Boulevard	Jl. Fachruddin	234	B	2008

TAKE-UP AND ABSORPTION RATE

The reduction in lending rates especially in KPA, brings improvements on condominium sales during the quarter. Some 494 units in existing projects were sold, about 14.1% higher than the previous quarter. Pre-sales in project underway moved up by 41.1% with the sale of 381 condo units.

Take up rates in existing condominium development during the third quarter increased 2.74% to 88.82%, while absorption in projects which are still under construction, showed on average 46.9%, which is 1.85% higher than last quarter.

SELLING PRICES

Due to the strengthening of the market, bulk supplies of condominium units will enter the market in the future. Condominium prices during the quarter registered an average increase of 0.46%.

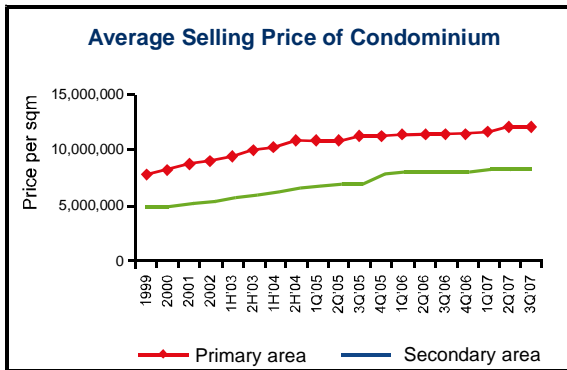
Condominium units in prime locations command a price range of IDR 8.11 million to IDR 23.12 million per square meter, while units located in non-CBD areas are priced at IDR 4.8 million - IDR 18 million per square meter.

FORECAST

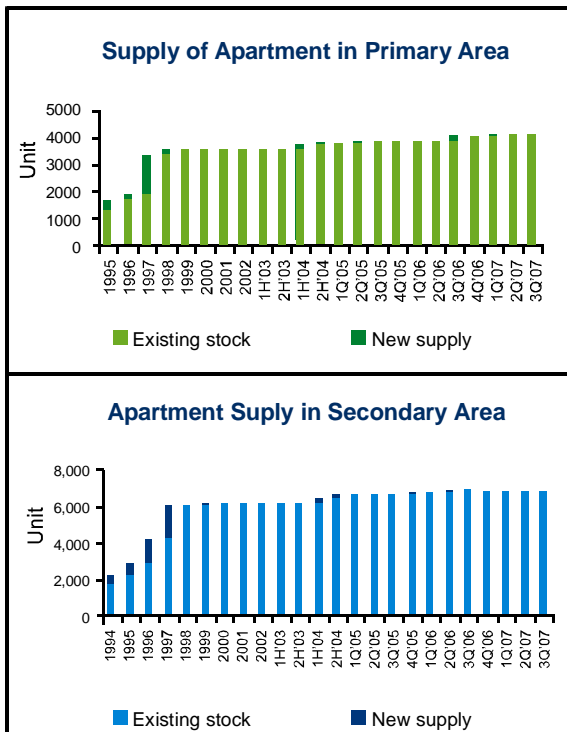
More and more condominium units are expected to come on stream in the next 2 years. Due to scarcity of land and high cost of acquisition, developers are focusing on superblock, an integrity development where residential, office, and retail mix are in one location.

Superblock development in non CBD areas where land still available in terms of size and price, was dominated by B class buildings due to the quality. Then, the future development of condominium units will spread out into secondary locations.

Prices as of 3rd'07 IDR 9.87 Million psm
Q on Q changes 0.46%



New supply as of 3rd'07 0 units
Q on Q changes 0.00%



APARTMENT SUB SECTOR

SUPPLY

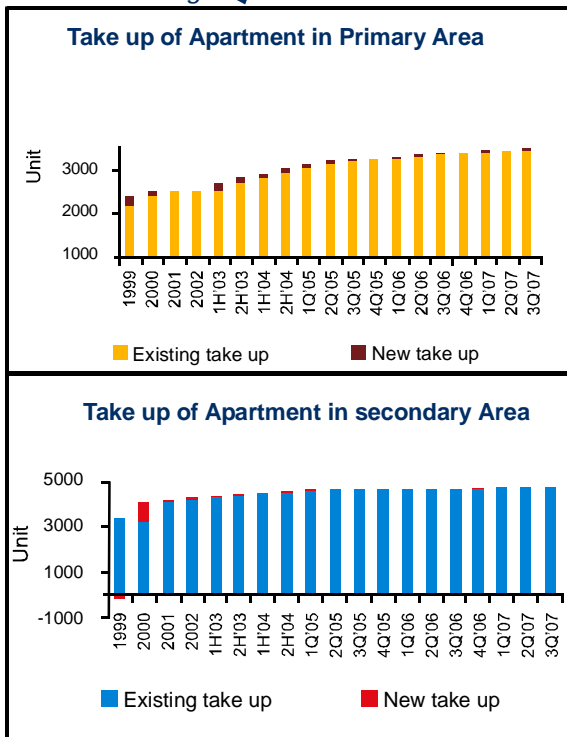
No new supply of apartment units were recorded during the third quarter. There were delays in the completion of apartment projects that was originally scheduled for completion in previous quarter. Total stock of apartment units remained at 11,036 which comprises of 4,163 units within prime areas, and 6,873 units in non-CBD areas.

Apartment projects that are underway are listed in Table 6. When complete, these projects will deliver some 993 units within the next 2 years.

Project Name	Location	Number of Units	Scheduled Completion
Oakwood Premier Cozmo	Mega Kuningan	250	4Q07
The One Pacific Place	SCBD	250	4Q07
Bellezza Aston	Permata Hijau	125	2008
Grand Indonesia Apt.	Jl. M. Thamrin	200	2008
Shangrila Condominium	Jl. R.E. Margono	168	2008

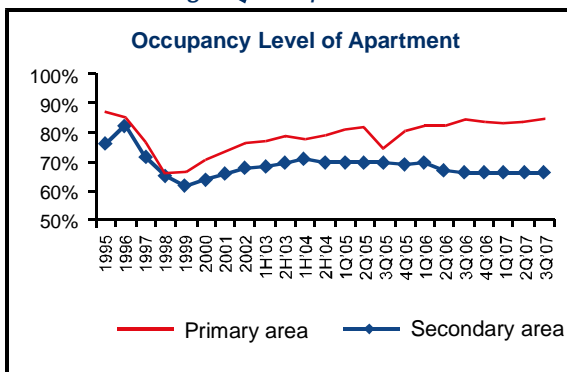
Take up as of 3rd Q'07 41 units

Q on Q changes 13.89%



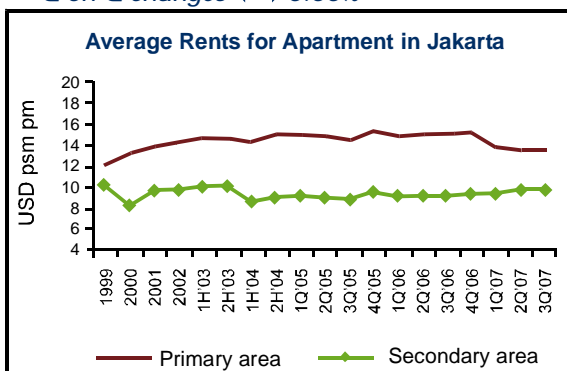
Occupancy level as of 3rd Q'07 73.28%

Q on Q changes 37bps



Rents as of 3rd Q'07 USD 10.73 psm pm

Q on Q changes 0.00%



TAKE-UP AND OCCUPANCY LEVEL

Apartment leasing during the quarter remained stable, some 41 units were rented out. Total apartment units leased as of the third quarter 2007 was 8,253 units.

Apartments within the Central Business District achieved an average occupancy level of 84.11%, slightly up by 0.66% over the past quarter, while those units that are situated in non-CBD posted an average occupancy rate of 66.72%.

RENTS

Rental rates remained stable during the quarter, due to the strengthening competition that some apartment projects scheduled to completion by the next quarter. Apartment units within prime area are rented in the range of USD 10.26 to USD 33.30 per square meter monthly, whereas those located within secondary location fetched USD 2.93 to USD 25.12 per square meter a month.

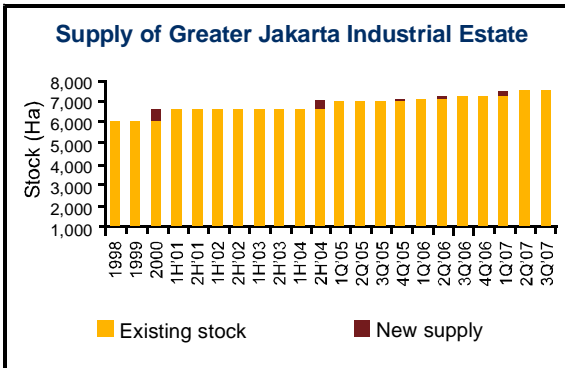
FORECAST

Apartment leasing, in general, still remain sluggish as foreign investors and businesses are scarce.

Serviced apartments, that are managed by well known branded operators command a stable demand.

More and more supply of apartments are expected to enter the market in the next quarter, which pressures the occupancy level and rental rates.

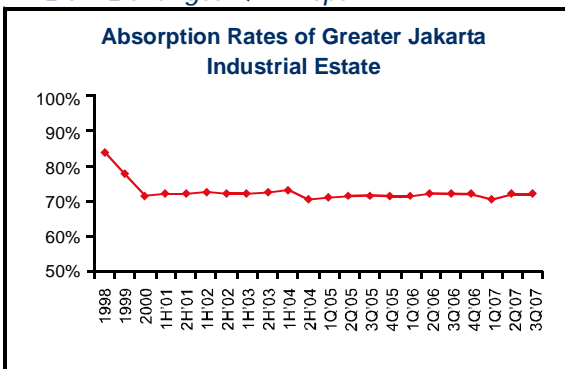
Supply as of 3rd Q'07 No new supply
Q on Q changes ↔ 0.00%



Take up as of 3rd Q'07 10.80 hectares
Q on Q changes ↓ 75.26%



Absorption rate as of 3rd Q'07 72.21%
Q on Q changes ↑ 21 bps



SUPPLY

Total stock of industrial sites remained at 7,472 a hectares during the third quarter of 2007 as no new supply was registered during the quarter.

The Regency of Bekasi remains the seat of large-scale industrial estates and the principal supplier of industrial sites. Table 7 shows the locational distribution of developed industrial sites.

Table 7. Geographical Distribution of Industrial Sites

Location	Percentage (%)
Bekasi	43.48
Karawang	15.33
Tangerang	15.00
Jakarta	13.72
Serang	10.63
Bogor	1.84

New supply is expected to come from expansion phases of existing industrial estates as illustrated in Table 8.

Table 8. Future Supply of Industrial Sites

Name of Estates	Location	Land area (ha)	Scheduled Completion
Millenium Industrial Est. 2	Tangerang	40	2007
Jababeka 3	Bekasi	260	2008
Delta Mas Ind. Est. 3	Bekasi	180	2008
Marunda Center	Jakarta	150	2008
Bukit Indah Extention	Karawang	265	2008
Surya Cipta Phase 3	Karawang	216	2008

TAKE UP & ABSORPTION RATE

Take-up during the third quarter slid by 75.26% to 10.80 hectares from the previous quarter, partly due to no new supply during the quarter. Total industrial sites sold as of the third quarter stood at 5,349.30 hectares.

Most sales were transacted in the Regency of Karawang with 6.50 hectares, about 60.19% of total quarterly sales. Quarterly sales ranking by location is illustrated in Table 9.

Table 9. Take-Up Profile During the 2nd Quarter 2007

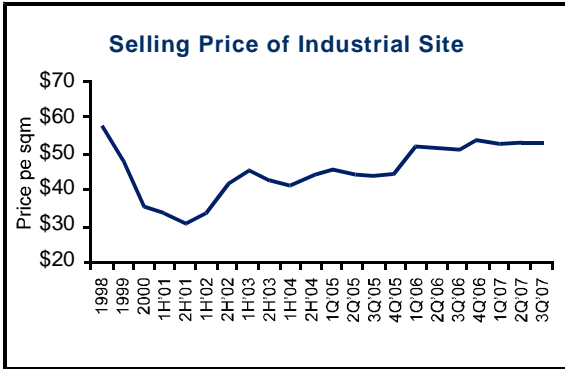
Location	Area Sold (ha)	Percentage of total take up (%)
Karawang	6.50	60.19
Bekasi	2.80	25.93
Jakarta	1.50	13.89

Industrial lot buyers were equally shared by local and foreign investors. Foreign investors are generally engaged in food processing and automotive spare parts.

Absorption rate improved by 21 bps to 72.21%, enhanced by no additional supply during the quarter. Actual occupancy averaged 65.20%, up by 10 bps over the previous quarter.

Selling Prices as of 3rdQ'07 USD 53.08

Q on Q changes  0.63%



Rental Prices as of 3rdQ'07 USD 2.50

to USD 8.75 psm pm

Q on Q changes  0.56%

SELLING PRICES AND RENTAL RATES

Industrial Site Prices

Industrial lot prices remained stable, and are affected only by the exchange rate movement. Selling price of industrial sites were slightly up by 0.63% in USD and an increment of 2.44% in Rupiah. Set out below is a schedule of indicative selling price range of industrial sites by location.

Location	Average Selling Price / sqm	
	US Dollar	ID Rupiah
Jakarta	94.41 to 124.73	878,000 to 1,160,000
Bekasi Tangerang Bogor Karawang Serang	38.71 to 90.00	360,000 to 837,000

Rentals on Standard Factory Buildings

Rentals on Standard Factory Buildings (SFB) and warehouses was slightly up by 0.56% in USD, and an increment of 1.99% in Rupiah. Average rental rates on SFB by location are shown below.

Location	Average rental/sqm / mth	
	US Dollar	ID Rupiah
Jakarta	2.50 to 8.75	23,250 to 81,375
Bekasi Tangerang Bogor Karawang Serang	1.53 to 8.00	14,250 to 74,400

FORECAST

Various efforts and plans have been initiated by the Government as well as by the private sector purportedly in order to attract more investors and boost the recovery of the industrial estate market.

Among others are the much touted Special Economic Zones, the Investment Deregulation Package and lately the International Economic Zone as well as an economic package to assist Small and Medium Industries. All these plans are indeed encouraging and spawns vigorous optimism. The witty-gritty of the matter, however, lies in earnest and honest implementation. Until investors are convinced that there are real honest-to-goodness tangible reforms in place, the "wait and see" stance will pervade and the industrial estate market remains in the doldrums.

GLOSSARY

Greater Jakarta: the area covered in this summary as the market for the property products, i.e. Jakarta and its surroundings including Bogor, Tangerang, Bekasi and Depok.

New Stock: The total number of spaces or units in existence and available, ready for occupancy by tenants or buyers available in the market.

Total Supply: The total spaces in floor area or units.

Primary Area: The area of the city generally perceived as the main commercial area/precinct.

Secondary Area: The area around the city center, a new developing business area.

Take up: Total space or units absorbed by the market through leases or sales.

Occupancy Rate: Ratio between the occupied spaces and the total supply within a 3-month period, expressed in percentages.

Q on Q Changes: The change in one quarter from the previous quarter, expressed in percentages.

Y on Y Changes: The change in one year from the previous year, expressed in percentages.

Strata Title: Refers to the ownership of a certain section or unit in multi-level building with common ownership over the land and common areas.

Rent : A periodic payment for the use of property made by a tenant to a landlord under a lease or tenancy agreement. Rent is, therefore, both a charge on occupation and also a return to owners of property.

Capital Value: is the overall value of a property as distinct from its annual periodic return. Capital value may be established in a number of different ways. It is calculated by multiplying the annual return (rent) by the inverse of the yield (known as the Years Purchase or YP).

Service Charge: is the tenant's proportionate contribution to cover the operating expense in maintaining the leased premises or common areas in a condominium. Operating expense of a building includes repairs and maintenance, security, utilities, insurance premium and property tax.

Retail Center: A multi-level building designed to accommodate retailers whereby retail space is normally leasable.

Trade Center: A purpose-built multi storey building for retail business whereby retail space is sold and acquired under a strata title.

Condominium: dwelling units with in multi-level building whereby units are sold under strata title.

Apartment: dwelling units are leasable for a certain period. Apartments may be under straight lease or serviced.

Industrial Estate: is a site purposely developed for manufacturing and industrial use. It is provided with basic infrastructure and facilities under a professional estate management.

Under Construction : the status of the building that is in the process of being developed, assembled, built or constructed. A building is considered to be under construction after it has begun construction and until it receives a certificate of occupancy.

Coldwell Banker Indonesia

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